

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

RECEIVED

JAN 26 2004

OCD-ARTESIA

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Gruy Petroleum Management Co.

3a. Address
P. O. Box 140907 Irving, TX 75014-0907

3b. Phone No. (include area code)
972-401-3111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 1190' FEL; Unit I, Sec. 5, T18S, R31E

5. Lease Serial No.
NMNM 106964

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM 106827

8. Well Name and No.
Magnum 5 Federal Com No. 4

9. API Well No.
30-015-33116

10. Field and Pool, or Exploratory Area
Turkey Track, Morrow North

11. County or Parish, State
Eddy Co. NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> OtherSet surface and intermediate casing	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

01-03-04 Spud 17-1/8" hole @ 7 AM CST.

01-04-03 Ran 14 jts 13-3/8" casing to 605.' Cemented lead 400 sx Premium Plus + 4% Gel + 2% CaCl + 1/4# Flocele per sx. Cemented tail 150 sx Premium Plus cement + 2% CaCl. Circulated 130 sx to surface. WOC 18.5 hrs.

01-11-04 Ran 97 jts 9-5/8" casing to 4210.' Cemented lead 1250 sx Interfill "C" + 1/4# Flocele per sx. Cemented tail 250 sx Premium Plus + 1% CaCl + 1/4# Flocele per sx. Circulated 232 sx cement. WOC 18 hrs.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Natalie Krueger

Signature

Title

Production Assistant

Date

January 21, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Gruy Petroleum Management Co.

Magnum Hunter Production, Inc.

Well History

January 3, 2004 Thru January 11, 2004

OPERATED

SHUGART

GRUY PETROLEUM MANAGEMENT CO

77204 MAGNUM FEDERAL 5 COM 4

EDDY, NM

1900'FSL 990'FEL Sec 5 T18S R31E

W.I. Pct BCP 50.00 %

W.I. Pct ACP 50.00 %

Morrow / 12,500'

01/03/2004

Depth 61

Progress 0

AFE: 23681

Present Operation: Preparing to Spud

Location staked by John West Surveying on 10/23/2003 - 1980' FSL & 1,190' FEL of Sec. 5 T-18-S R-31-E in Eddy County, New Mexico. B&H Construction built location, pits & road from 11/25/2003 to 12/8/2003. Abbott Brothers set 20" conductor pipe at 38' FGL & cemented with 3 3/4 yds. ready mix - dug rat & mouse holes on 12/9/2003. Akome, Inc. plastic lined & fenced reserve pit on 12/11/2003 & JWS put water in the reserve pit to hold down the plastic on 12/11/2003. MIRU Patterson-UTI Rig # 75 on 1/2/2004. Welded flow nipple onto conductor pipe - mixed spud mud - preparing to spud well.

01/04/2004

Depth 605

Progress 605

AFE: 23681

Present Operation: Welding on Wellhead

Air out Pumps Drill from 61' to 419' (Spud a 17 1/2" hole at 7:00 AM (CST) 1/3/04) Rig Service Drill from 419' to 448' Wireline Survey @ 396' = .75o Drill from 429' to 605' TD (Reached TD of 17 1/2" hole at 5:00 PM (CST) 1/3/2004) Circ and drop Totco TOH. LD Bit, Bit Sub, Reamer and Shock Sub. WLS at 605' = 1.0 o RU Csg Crew and Tools. Run 14 jts of 13 3/8" Csg (See Csg Detail) Circ and RD Csg Crew & RU Howco Circ w/ Rig Pumps while Howco repaired computer Hall. cemented 13 3/8" csg. (Lead) 400 sx Prem. Plus Cement + 4% Gel + 2% CaCl + 1/4# Flocele per sx, (Tail) 150 sx Prem. Plus Cement + 2% CaCl - plug down & bumped with 350# at 1:30 AM (CST) 1/4/2004 - circulated 130 sx cement to surface - Don Cleghorn w/ the BLM notified. RD Howco and WOC

01/05/2004

Depth 1,060

Progress 455

AFE: 23681

Present Operation: Drlg

Cut off 13 3/8" Csg and weld on 13 5/8" 3000# Braden Head and Test to 500# NU BOP and choke manifold Test BOP, Choke manifold, wellhead & 13 3/8" csg to 1000#. BLM notified. Did not witness Pick up Bit #2 and BHA. TIH Drill cement, Float and shoe (Back on formation at 19:00) Drill from 605' to 1060' (Motor = 186 RPM - Rotary = 40 RPM Weight = 25k)

01/06/2004

Depth 2,120

Progress 1,060

AFE: 23681

Present Operation: Drlg

WLS @ 1026' = 1/4 deg; drill f/1060' to 1582'; WLS @ 1503' = 3/4 deg; drill f/1582' to 2120'; WLS @ 2040' = 1/2 deg.

01/07/2004

Depth 2,820

Progress 700

AFE: 23681

Present Operation: Drlg

1/21/04

MAGNUM FEDERAL 5 COM 4

Drill from 2120' to 2182' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) Service Rig Drill
 from 2182' to 2497' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) WLS @ 2418' = 3/40 Drill
 from 2497' to 2820' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k)

01/08/2004 Depth 3,345
 Progress 525
 AFE: 23681 Present Operation: Drlg

Drill from 2820' to 2945' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) WLS @ 2776' = 1/40
 Drill from 2945' to 3003' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) Service Rig Drill
 from 3003' to 3222' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) WLS @ 2776' = 1.00 Drill
 from 3222' to 3345' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k)

01/09/2004 Depth 3,759
 Progress 414
 AFE: 23681 Present Operation: Drlg

Drill from 3345' to 3443' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) Rig Service Drill
 from 3443' to 3504' (Motor = 100 RPM - Rotary = 40 RPM Weight = 40k) Drill from 3504' to 3601'
 (Motor = 64 RPM - Rotary = 75 RPM Weight = 45k) #1 Pmp Bearing Out WLS @ 3522' = 3/40 Drill
 from 3601' to 3759' (Motor = 64 RPM - Rotary = 75 RPM Weight = 45k) #1 Pmp Bearing Out

01/10/2004 Depth 4,192
 Progress 433
 AFE: 23681 Present Operation: Drlg

Drill from 3759' to 3885' (Motor = 64 RPM - Rotary = 75 RPM Weight = 45k) #1 Pmp Bearing Out
 Rig Service Drill from 3885' to 3979' (Motor = 64 RPM - Rotary = 75 RPM Weight = 45k) #1 Pmp
 Bearing Out WLS @ 3900' = 1/20 Drill from 3979' to 4048' (Motor = 64 RPM - Rotary = 75 RPM
 Weight = 45k) #1 Pmp Bearing Out Drill from 4048' to 4192' (Motor = 100 RPM - Rotary = 40 RPM
 Weight = 45k) #1 Pmp Repaired

01/11/2004 Depth 4,210
 Progress 18
 AFE: 23681 Present Operation: Testing BOPs

Drill from 4,193' to 4,210' TD (motor = 100 RPM - rotary = 40 RPM - 40K to 42K bit wt.) - Reached TD
 of the 12 1/4" hole @ 6:15 AM (CST) 1/10/04 Pump 30 Bbl. viscous sweep & circulate Drop Totco @ 4,210' =
 3/40 & trip out with DP. Lay Down 13 jts of DP & 17 DC's RU casing crew & ran 97 Jts. 9 5/8" casing [4,216.67']
 (See Casing Detail) set at 4,210' KB RU Halliburton Cement Head Circulate csg capacity Halliburton cemented 9
 5/8" csg. (Lead) 1250 sx Interfill "C" + 1/4# Flocele per sx, followed by (Tail) 250 sx Premium Plus Cement + 1%
 CaCl + 1/4# Flocele per sx - plug down & bumped with 1,400# at 08:20 PM (CST) 1/10/04 - circulated 232 sx
 cement - BLM was notified - didn't witness job ND & PU BOP - set 9 5/8" casing slips in 150,000# - cut off 9 5/8"
 casing - installed a 13 5/8" 3M X 11" 5M "B" Section Spool & tested same to 2,000# - OK - NU BOP's & choke
 manifold - testing BOP's, choke manifold & associated equipment to 5,000# - BLM was notified - not witnessing
 test